

Arizona Health Care Cost Containment System Administration (AHCCCSA)



AHCCCS

2004–2005 EXTERNAL QUALITY REVIEW TECHNICAL REPORT *for* ALTCS DES/DDD

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Introduction

Health Services Advisory Group, Inc. (HSAG) serves as an external quality review organization (EQRO) for the Arizona Health Care Cost Containment System (AHCCCS). This annual technical report for contract year (CY) 2004-2005 complies with 42 Code of Federal Regulations (CFR) 438.364 and describes how the data from activities conducted in accordance with 42 CFR 438.358 were aggregated and analyzed. This report also explains the methodologies used to draw conclusions about the quality and timeliness of and access to care furnished by the Arizona Department of Economic Security/Division of Developmental Disabilities (DES/DDD) program. It includes the following for each activity conducted in accordance with 42 CFR 438.358:

- i. Objectives
- ii. Technical methods of data collection and analysis
- iii. Description of data obtained
- iv. Conclusions drawn from the data
- v. The extent to which the State provided the necessary information to create this report while safeguarding the identities of patients

This report includes an assessment of DES/DDD's strengths and opportunities for improvement with respect to the quality and timeliness of and access to health care services furnished to Medicaid members. Recommendations are also included to improve the quality of health care services offered by DES/DDD. Additionally, DES/DDD is assessed on the extent to which it has addressed recommendations for quality improvement made the previous year (e.g., performance measures). The technical methods of data collection are presented first, followed by the data analysis and recommendations for continued quality improvement.

AHCCCS's Unique Approach

Each state that contracts with health plans or program contractors, such as DES/DDD, must ensure that it has a qualified EQRO perform an annual external quality review (EQR). The state must also ensure that the EQRO has sufficient information to perform the review. The information for the review must be obtained for the EQR-related activities described in 42 CFR 438.358. In addition, the information provided to the EQRO must be obtained through methods consistent with the protocols established under 42 CFR 438.352. In general, state Medicaid agencies nationwide competitively bid the mandatory activities required by the federal government when seeking competent EQROs to perform these services. AHCCCS, however, is unique not only as a national model program for managed care, but also for the model it uses for EQR activities. AHCCCS has developed its own expertise and competence to perform many of the mandatory activities (i.e., conducting a review to determine program contractor compliance with financial and operational standards, validation of program contractor performance measures, and validation of performance improvement projects).

AHCCCS has validated DES/DDD's performance and reviewed information, data, and procedures to determine the extent to which they are accurate, reliable, free from bias, and in accordance with industry standards for data collection and analysis. To meet the requirement for information that must be produced, AHCCCS contracts with HSAG to provide this External Quality Review Technical Report. HSAG is an EQRO that meets the competence and independence requirements set forth in 42 CFR 438.354.

HSAG Methodology for Data Acquisition and Reporting

On February 1, 2006, AHCCCS and HSAG held initial meetings to discuss the EQR Technical Report contract and mandatory activities for CY 2004–2005. HSAG reviewed materials provided by AHCCCS and developed a compliance with standards summary tool to crosswalk the data provided. Meetings were conducted with AHCCCS, in person and by telephone, to clarify any questions regarding the data received. A draft report outline was provided to AHCCCS, and a first draft of the entire report was provided to AHCCCS for review on April 28, 2006.

2. Common Methodologies

Compliance with Standards (Operational and Financial Review)

This section provides the objectives for the review of the operational and financial standards, and discusses the methodology AHCCCS used when conducting the review.

Objectives for Review of Operational and Financial Review (OFR) Standards

HSAG designed a compliance with standards summary tool to more easily represent the information contained within the compliance with standards report submitted for DES/DDD. A notation was made in the tool when an initial review suggested that the degree of compliance awarded (i.e., full compliance, substantial compliance, partial compliance, non-compliance, not applicable, and for information only) might be in contrast to a recommendation for a corrective action plan (CAP). The annotated tool was then submitted to AHCCCS for a resolution to these issues. The summary tool focused on the objectives of this analysis, which were to:

1. Determine DES/DDD's compliance with standards established by the State to comply with the requirements of 438.204(g).
2. Provide information from the review of DES/DDD's compliance with standards that allowed conclusions to be drawn as to the quality and timeliness of and access to care furnished by DES/DDD.
3. Aggregate and assess corrective action plans to provide an overall evaluation.

AHCCCS Methodology for Review of Operational and Financial Review Standards

The AHCCCS mission is: "Reaching across Arizona to provide comprehensive, quality health care for those in need." In support of that mission, AHCCCS provided DES/DDD with a detailed description of the expectations in the contract. AHCCCS also supplied DES/DDD with a list of documents and information that must be available to AHCCCS for review during the OFR process.

AHCCCS reviewed the operational and financial performance of DES/DDD throughout the year. The Agency Review Team, which is composed of staff from the Division of Health Care Management and the Office of Legal Assistance, performed on-site reviews to interview and observe operations of DES/DDD personnel, and to review documentation. The on-site review encompassed the following areas:

- ◆ Administration and management
- ◆ Behavioral health
- ◆ Delivery system
- ◆ Encounters
- ◆ Financial management
- ◆ Grievances and appeals

- ◆ Case management
- ◆ Quality management
- ◆ Utilization management
- ◆ Maternal child health

Reviews generally required three to five days, depending on the extent of the review required and the location of the program contractor. The OFR allowed AHCCCS to:

- ◆ Determine the extent to which DES/DDD met AHCCCS's contractual requirements, AHCCCS policies, and the Arizona Administrative Code.
- ◆ Increase its knowledge of DES/DDD's operational and financial procedures.
- ◆ Provide technical assistance and identify areas for improvement and areas of noteworthy performance and accomplishment.
- ◆ Review progress in implementing the recommendations made during prior OFRs.
- ◆ Determine DES/DDD's compliance with its own policies and procedures and to evaluate their effectiveness.
- ◆ Perform DES/DDD oversight as required by the Centers for Medicare & Medicaid Services (CMS) in accordance with the AHCCCS 1115 waiver.

AHCCCS prepared an annual report of review findings and sent it to DES/DDD. In the report, each standard and substandard was individually listed along with a compliance decision, recommendations, and comments. Full compliance was 90 to 100 percent compliant, substantial compliance was 75 to 89 percent compliant, partial compliance was 50 to 74 percent compliant, and non-compliance was 0 to 49 percent compliant. N/A was not applicable, and FIO (or IO) was for information only.

The report provided recommendations as follows:

- ◆ *The program contractor must....* This statement indicates a critical non-compliance area that must be corrected as soon as possible to be in compliance with the AHCCCS contract.
- ◆ *The program contractor should....* This statement indicates a non-compliance area that must be corrected to be in compliance with the AHCCCS contract but is not critical to the everyday operation of DES/DDD.
- ◆ *The program contractor should consider....* This statement is a suggestion by the review team to improve the operations of DES/DDD but is not directly related to contract compliance.

DES/DDD submitted a response to each of the first two types of review finding with a proposed CAP. AHCCCS reviewed and approved all CAPs. DES/DDD has the right to challenge AHCCCS's findings.

Validation of Performance Measures

Objectives for Review of Validation of Performance Measures

In its objectives for the review of validation of performance measures, AHCCCS:

1. Provided DES/DDD with the necessary information on State-required performance measures.
2. Ensured that DES/DDD measured and reported to the State its performance on an annual basis using standard measures required by the State.
3. Ensured that validation of DES/DDD performance measures was conducted according to industry standards.

Methodology for Review of Validation of Performance Measures

AHCCCS acquired information to evaluate preventive health care quality through performance measurement data received from DES/DDD using Health Employer Data and Information Set (HEDIS[®]) methodology. HEDIS[®] was developed and is maintained by the National Committee for Quality Assurance (NCQA) and is a widely used and well-accepted set of performance measures for health care providers.

To select the members included in the annual analysis, AHCCCS used HEDIS[®] criteria (e.g., members must have been continuously enrolled for a specified minimum period of time with DES/DDD). AHCCCS has also adopted the NCQA's methodology of rotating measurements to produce a more comprehensive set of annual reports of preventive health care services over time without having to collect the entire measure set each year. The approach reduced the administrative burden on DES/DDD without sacrificing substantive oversight. This rotating schedule alternated most measures on a biennial basis and made an intervention year possible for quality improvement efforts. It also gave DES/DDD an opportunity to focus activities on improving specific measures that AHCCCS had identified as needing attention in its prior annual reports.

To acquire data, AHCCCS used its automated managed care data system, the Prepaid Medicaid Management Information System (PMMIS). DES/DDD members included in the denominator for each measure were selected from the recipient subsystem of PMMIS. Numerators for each measure represent counts from encounter data, from records of medically necessary services, and from related claims. AHCCCS also conducted data validation studies to evaluate the completeness, accuracy, and timeliness of encounter data. In CY 2004 – 2005 (October 1, 2004, through September 30, 2005), AHCCCS conducted an encounter data validation study on CY 2003 (October 1, 2002, through September 30, 2003) data. AHCCCS estimated the overall accuracy of DES/DDD's encounter data to exceed 95 percent, and in some cases, to exceed 98 percent, depending on the specifics of the analysis.

HEDIS[®] is a registered trademark of the National Committee for Quality Assurance (NCQA).

Assessment of Performance Improvement Projects (PIPs)

Objectives for Review of PIPs

In its objectives for its assessment of performance improvement projects (PIPs), AHCCCS:

1. Ensured that DES/DDD had an ongoing performance improvement program of projects that focused on clinical and non-clinical areas for the services it furnished to its members.
2. Ensured that DES/DDD measured performance using objective and quantifiable quality indicators.
3. Ensured that DES/DDD implemented systemwide interventions to achieve improvement in quality.
4. Evaluated the effectiveness of the DES/DDD interventions.
5. Ensured that DES/DDD planned and initiated activities to increase or sustain improvement.
6. Ensured that DES/DDD reported the status and results of each project to the State in a reasonable period to allow timely information on the status of PIPs.
7. Annually reviewed the impact and effectiveness of DES/DDD's performance improvement program.
8. Required that DES/DDD had in effect an ongoing process to evaluate the impact and effectiveness of its own performance improvement program.

Methodology for Review of PIPs

As previously stated for each contract, AHCCCS required that DES/DDD have an ongoing program of PIPs that focused on clinical and non-clinical areas. These projects involved measuring performance by using objective and quantifiable quality indicators, implementing system interventions to achieve quality improvements, evaluating the effectiveness of the interventions, and planning and initiating activities to increase or sustain its improvements.

The PIPs reviewed for this External Quality Review Technical Report were adult management of diabetes and children's oral health. The populations for the two reviewed PIPs were selected according to HEDIS[®] criteria for their respective projects.

Throughout this and other processes, AHCCCS maintained confidentiality in compliance with Health Insurance Portability and Accountability Act (HIPAA) requirements. The files were maintained on a secure, password-protected computer. Only AHCCCS employees who analyzed the data had access to the database, and all employees were required to sign confidentiality agreements. Furthermore, only the minimum amount of necessary information to complete the project was collected. Upon completion of each study, all information was removed from the AHCCCS computer and placed on a compact disc to be stored in a secured location.

When the data are collected and processed, PIPs are reviewed and assessed by AHCCCS through the use of the criteria found in Validating Performance Improvement Projects: A Protocol for Use in

Conducting Medicaid External Quality Review Activities (Department of Health and Human Services, Centers for Medicare & Medicaid Services, Final Protocol, Version 1.0, May 1, 2002). This process involves 10 distinct steps, as delineated in the CMS protocol:

1. Review the selected study topic(s).
2. Review the study question(s).
3. Review selected study indicator(s).
4. Review the identified study population(s).
5. Review sampling methods (if sampling was used).
6. Review data collection procedures.
7. Assess improvement strategies.
8. Review the data analysis and interpretation of the study's results.
9. Assess the likelihood that reported improvement is real improvement.
10. Assess whether the improvement has been sustained at its documented level.

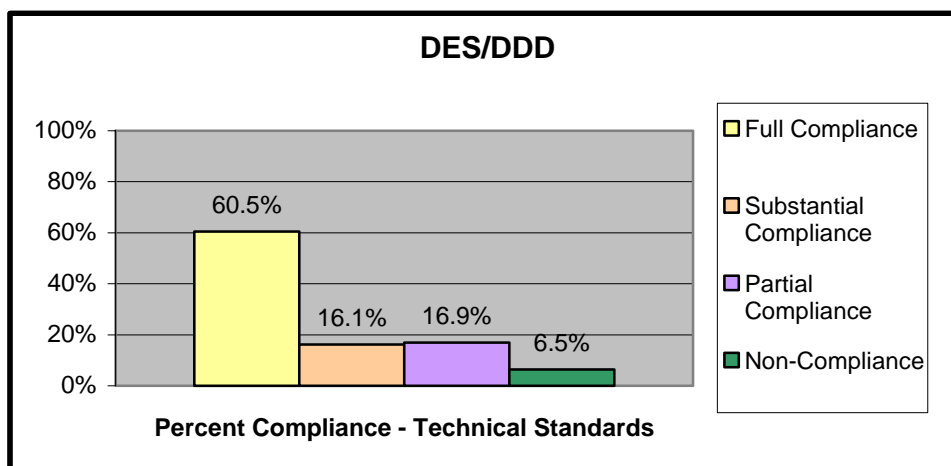
The methodology for evaluating each of the 10 steps is covered in detail in the CMS protocol, including acceptable and unacceptable examples of each step. When completed, the PIP assessments were forwarded to DES/DDD. DES/DDD had the opportunity to comment on the results and actions included in its evaluation from AHCCCS. The overall AHCCCS evaluation reports and program contractor-specific results were supplied to HSAG by AHCCCS for review and inclusion in this External Quality Review Technical Report.

3. DES/DDD Program Contractor-Specific Findings

Compliance with Standards (Operational and Financial Review)

Figure 3-1 shows the DES/DDD percentage of compliance with the technical standards selected for review in CY 2004–2005. The figure represents overall compliance with the technical standards for DES/DDD that year.

Figure 3-1—Compliance with Technical Standards for DES/DDD



The difference between at least partial compliance (the sum of full, substantial, and partial compliance) and full compliance (93.5 percent – 60.5 percent = 33 percent) indicates that the program contractor may have known the intent of the technical standards but did not fully achieve it. The 6.5 percent rate for non-compliance indicates that the program contractor might not have understood the intent of the technical standards. In the first case (i.e., understanding but not fully achieving the technical standards), the program contractor could make strides in attaining full compliance with relatively little effort. Moving a technical standard from non-compliance to full compliance, however, could require educational and other activities.

Figure 3-2 shows the extent of compliance for each of the major areas within the technical standards. The figure highlights both areas of strength and opportunities for improvement. For each area with the technical standards, the figure shows the percentage of full compliance, substantial compliance, partial compliance, and non-compliance.

Figure 3-2—Degree of Compliance with the Technical Standards for DES/DDD

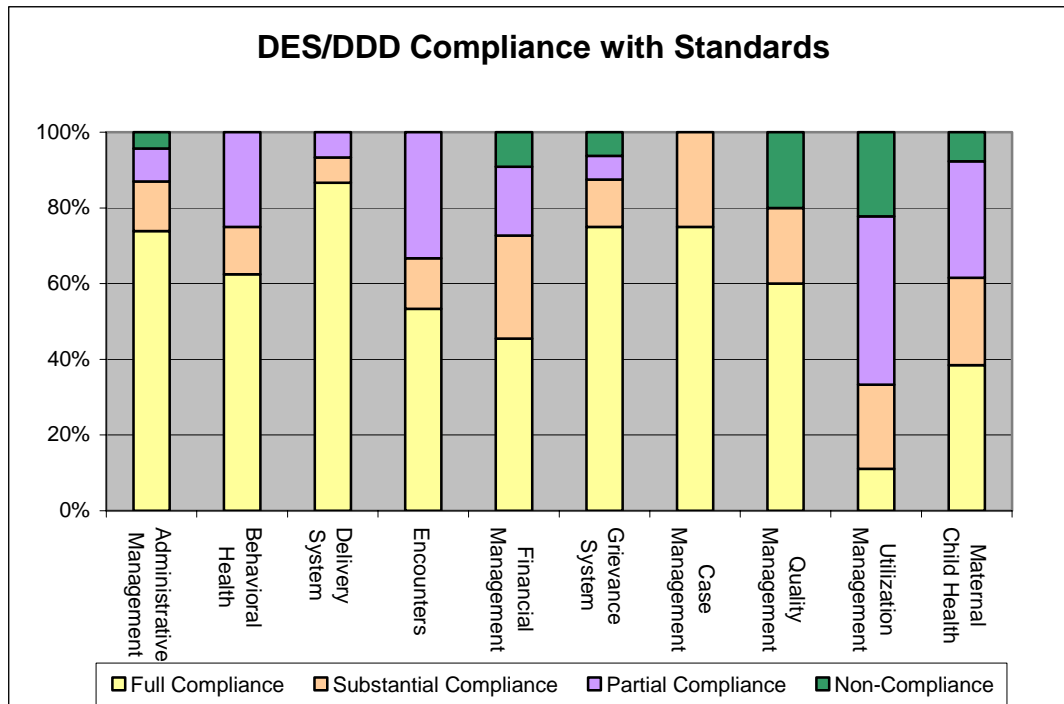


Figure 3-2 shows that the delivery system had the highest percentage for full compliance with the technical standards. Utilization management showed the greatest opportunity for improvement. All of the technical standards reviewed for case management were either in full or substantial compliance. Six of the 10 major areas of review had some technical standards in non-compliance. Only 6 of the 10 areas were at least 60 percent in full compliance with the individual technical standards. It should be noted, however, that medical management standards were strengthened by AHCCCS, which rewrote a section of the AHCCCS Medical Policy Manual, increased requirements, and monitored the health plans more rigorously. The health plans still showed improvement over previously monitored results.

A worthy goal for DES/DDD next year would be to eliminate the non-compliance findings, improve the partial compliance findings to at least substantial compliance, and improve the substantial compliance findings to full compliance. Moving technical standards that are not fully compliant in the direction of full compliance could be achieved. Special attention should likely be given to utilization management. This area of review showed only one of nine individual technical standards in full compliance and only two individual technical standards in substantial compliance. Only one-third of the individual technical standards were in at least substantial compliance for utilization management.

Corrective Action Plans (CAPs) for Compliance with Standards

Table 3-1 details the AHCCCS standards for which DES/DDD was required to create and institute CAPs. The table presents the 10 separate areas of review next to the number of CAPs that were required for that area.

Table 3-1—CAP Overview for DES/DDD			
Category	Number of CAPs	Total Number of Standards	Percent of CAPs
Administrative Management	7	23	30%
Behavioral Health	3	8	38%
Delivery System	2	15	13%
Encounters	7	15	47%
Financial Management	1	11	9%
Grievance System	4	16	25%
Case Management	2	4	50%
Quality Management	4	10	40%
Utilization Management	8	9	89%
Maternal Child Health	8	13	62%
Total	46	124	37%

Table 3-1 presents an additional dimension to the understanding of the CAPs required of DES/DDD by including the total number of standards and the percent of CAPs columns. Financial management had the lowest percentage of CAPs, even though at least five other review areas were more compliant, according to Figure 3-2. This finding is due to the manner by which CAPs are assigned as well as the different number of individual technical standards within each area of review. Case management, which did well according to Figure 3-2, had 50 percent of the individual technical standards requiring a CAP. Utilization management had the greatest opportunity for improvement with 89 percent of the individual technical standards requiring CAPs. As can be seen from Table 3-1, judgments about the review areas must take into account the manner by which CAPs are required and the number of individual technical standards within each area of review.

Performance Measure Review

The results for 11 performance measures for CY 2004–2005 are presented in Table 3-2. When possible, rates for the current measurement period are compared with the previous measurement period's rates. Due to the rotation of measures and changes in the measurement methodology for some of the measures, four rates cannot be compared. Seven rates from this year can be compared with rates from the previous measurement period. Nonetheless, AHCCCS sets minimum performance standards against which all of the measurements' rates can be compared. The table presents the measure, the previous rate when comparable, the current rate, the statistical level of significance when determinable, and the CY 2004–2005 minimum AHCCCS performance standard.

Table 3-2—Performance Measurement Rates for DES/DDD

Performance Indicator*	Previous Measurement Period*	Performance for Oct. 1, 2003 to Sept. 30, 2004	Significance Level**	CY 2004–2005 Minimum AHCCCS Performance Standard
Well-Child Visits – 3 to 6 Yrs	N/A	42.3%	N/A	55%
Adolescent Well-Care Visits	N/A	31.4%	N/A	32%
Annual Dental Visits	32.7%	39.3%	p<.01	49%
Child Immunization – 4 DTP	63.4%	67.3%	p=.52	83%
Child Immunization – 3 IPV	77.5%	72.1%	p=.34	89%
Child Immunization – 1 MMR	80.3%	89.4%	p=.05	90%
Child Immunization – 3 HiB	N/A ¹	76.0%	N/A ¹	76%
Child Immunization – 3 HBV	62.7%	66.3%	p=.55	82%
Child Immunization – 1 VZV	69.7%	80.8%	p=.05	77%
Child Immunization – DTP, IPV, & MMR (4:3:1 Series)	59.2%	59.6%	p=.94	80%
Child Immunization – DTP, IPV, MMR, HIB, & HBV (4:3:1:3:3 Series)	N/A ¹	45.2%	N/A ¹	70%

¹ Current and previous rates are not comparable due to a change in methodology.

* Performance measures are measured and reported on a rotating basis to allow an intervention year between reporting periods for some but not all measures.

**Significance Levels (p-values) noted in the table demonstrate the statistical significance between the performance for the previous measurement period and performance for the current measurement period.

In Table 3-2, three of the seven comparable measures (42.9 percent) demonstrated a statistically significant improvement (i.e., $p \leq .05$) between the two measurement periods. This finding suggests that the true rates for four of the seven comparable measures (57.1 percent) were statistically flat, differing due to sampling error alone.

CAPs are assigned from a criterion (i.e., independent) frame of reference. This frame of reference judges the acceptability of the measures' rates by using the minimum AHCCCS performance standards. The issue could also be addressed from a normative (i.e., compared with others' performance rather than an independently set standard) frame of reference by using national HEDIS[®] Medicaid benchmark rates for comparative measures. Comparable HEDIS[®] rates are shown in Table 3-3. The 10th, 25th, 50th, 75th, and 90th national percentiles follow the actual measure performance and the minimum AHCCCS performance standards.

Table 3-3—Performance Measure Rates Compared with HEDIS[®] Rates for DES/DDD

Performance Indicator	Performance for Oct. 1, 2003 to Sept. 30, 2004	CY 2004 Minimum AHCCCS Performance Standard	HEDIS 2004 Benchmark 10%	HEDIS 2004 Benchmark 25%	HEDIS 2004 Benchmark 50%	HEDIS 2004 Benchmark 75%	HEDIS 2004 Benchmark 90%
Well-Child Visits – 3 to 6 Yrs	42.3%	55%	46.0%	54.3%	61.2%	69.6%	75.1%
Adolescent Well-Care Visits	31.4%	32%	25.2%	29.3%	35.9%	45.0%	52.3%
Annual Dental Visits	39.3%	49%	18.6%	35.4%	41.9%	47.8%	55.3%
Child Immunization – 4 DTP	67.3%	83%	56.9%	69.3%	75.3%	80.8%	84.0%
Child Immunization – 3 IPV	72.1%	89%	69.6%	79.6%	84.9%	89.1%	92.2%
Child Immunization – 1 MMR	89.4%	90%	79.7%	84.9%	88.3%	91.6%	93.3%
Child Immunization – 3 HiB	76.0%	76%	63.3%	72.8%	79.6%	84.1%	88.1%
Child Immunization – 3 HBV	66.3%	82%	62.3%	74.9%	82.3%	87.3%	90.0%
Child Immunization – 1 VZV	80.8%	77%	69.4%	77.3%	84.2%	88.3%	91.1%
Child Immunization – DTP, IPV, & MMR (4:3:1 Series)	59.6%	80%	41.0%	56.0%	64.8%	70.6%	75.2%
Child Immunization – DTP, IPV, MMR, HiB, & HBV (4:3:1:3:3 Series)	45.2%	70%	37.8%	51.4%	61.1%	67.9%	72.5%

Table 3-3 shows 6 of the 11 minimum AHCCCS performance standards exceeding the national HEDIS[®] benchmark 50th percentiles. Nonetheless, the actual performance of DES/DDD appears to range between the bottom quarter to the bottom third in the percentile rankings of the national rates.

Performance Measures—CAPs

Perhaps the most important finding from Table 3-2 was the requirement for CAPs for 9 of the 11 measures (81.8 percent), seen by comparing DES/DDD's results to the minimum AHCCCS standards. For two of the three measures where there was a statistically significant improvement, a CAP was still required because the measure's rate was below the minimum AHCCCS performance standard rate requirement. Overall, the percentage of measures requiring a CAP was somewhat improved over the previous year, when all of the performance measures required a CAP.

Only 2 of the 11 rates met or exceeded the minimum AHCCCS performance standards, child immunization – 3 HiB¹ and child immunization – 1 VZV, and, therefore, did not have a CAP assigned for the current review period. Table 3-4 shows the six measures where there was comparable information during both the present and the previous time periods.

Table 3-4—Performance Measure Rates for DES/DDD

Performance Indicator*	Previous Measurement Period*	Performance for Oct. 1, 2003 to Sept. 30, 2004	CY 2004 Minimum AHCCCS Performance Standard	CY 2004 CAP Required	CY 2005 CAP Required
Child Immunization – 4 DTP	63.4%	67.3%	83%	Yes	Yes
Child Immunization – 3 IPV	77.5%	72.1%	89%	Yes	Yes
Child Immunization – 1 MMR	80.3%	89.4%	90%	Yes	Yes
Child Immunization – 3 HBV	62.7%	66.3%	82%	Yes	Yes
Child Immunization – 1 VZV	69.7%	80.8%	77%	Yes	No
Child Immunization – DTP, IPV, & MMR (4:3:1 Series)	59.2%	59.6%	80%	Yes	Yes

* Performance measures are measured and reported on a rotating basis to allow an intervention year between reporting periods for some but not all measures.

The table shows that CAPs for five of the six measures (83.3 percent) were continued during the current review period. One additional measure was within 0.6 percent of meeting the minimum AHCCCS performance standard. There was a decrease, however, in the rate for child immunization – 3 IPV.

Review of Performance Improvement Projects (PIPs)

Table 3-5 presents the results for the two PIPs: adult diabetes management and children's oral health. The table shows the quality improvement measure, the previous year's rates, the current rates, the relative changes, the statistical testing results, the AHCCCS benchmark for children's oral health, and the national HEDIS[®] Medicaid median (i.e., 50th percentile) benchmark.

Table 3-5—PIPs for DES/DDD						
PIP	Previous Measurement Period *	Oct. 1, 2003 – Sept. 30, 2004	Relative Change	Significance Level	AHCCCS Benchmark	HEDIS 2004 Benchmark 50%
HbA1c Testing	74.9%	83.8%	11.9%	p=.03		77.6%
HbA1c Poor Control	35.7%	21.3%	-40.3%	p<.01		47.4%
Children's Annual Dental	30.9%	37.8%	22.0%	p<.01	57%	41.9%
* The previous measurement period for the diabetes management PIP was Oct. 1, 2002 – Sept. 30, 2003. The previous review period for the children's annual dental PIP was Oct. 1, 2001 – Sept. 30, 2002.						

The table shows that DES/DDD is doing very well with the two measures of adult diabetes management. The first measure, HbA1c testing, is structured so that higher values are indicative of better care than are lower values. As seen from the table, DES/DDD significantly improved and is currently above the national HEDIS[®] Medicaid median for the measure. Furthermore, the current rate is substantively at the 75th HEDIS[®] benchmark percentile of 83.9 percent.

The second measure of adult diabetes management, HbA1c poor control, is a reverse measure for which lower values are indicative of better diabetes management than are higher values. DES/DDD is doing extremely well with this measure. Not only did DES/DDD show a relative improvement of more than 40 percent, but DES/DDD also did better than the best of the national HEDIS[®] benchmarks: the 10th percentile (the top for a reverse measure) at 31.1 percent.

The adult diabetes management PIP did quite well. Not only was there statistically significant improvement for the current measurement cycle, but there was also significant improvement for the previous measurement cycle (i.e., between baseline and the first remeasurement). The State wrote to the contractor to require a final report within 180 days of the most recent measurement period.

The rates for children's annual dental visits significantly improved from 30.9 percent to 37.8 percent. Nonetheless, the current rate is a long way from meeting the AHCCCS benchmark of 57 percent. An additional relative improvement of approximately 50 percent would be needed to attain the goal, including the likelihood that more focused interventions would be needed than were used during the previous measurement cycle.

Strengths, Opportunities for Improvement, and Recommendations

The next three sections discuss DES/DDD's: (1) compliance with standards, (2) performance measures, and (3) PIPs. Each of these three sections presents the strengths for the area of review that were found in the documentation provided to HSAG for DES/DDD, opportunities for improvement, and recommendations.

Compliance with Standards (Operational and Financial Review)

Strengths

The degree of compliance ratings presented in Figure 3-2 showed the delivery system and case management categories to be strengths for the compliance with standards review. This finding is evidenced by the relatively high percentages of full and substantial compliance shown in the figure compared with the other major areas of review.

The delivery system category only had one technical standard that was rated in substantial compliance and one in partial compliance. No technical standard was found to be in non-compliance. The technical standard in substantial compliance was "The Program Contractor's Provider's Network Summary lists providers who have valid signed contracts." The technical standard in partial compliance was "The Provider Manual contains all required components." All of the other 13 scored technical standards were in full compliance for the delivery system category.

The case management category only had one technical standard in substantial compliance. That standard was "The Program Contractor conducts case management staff orientation/training." The other three scored technical standards were in full compliance.

Opportunities for Improvement and Recommendations

Figure 3-2 also highlights several opportunities for improvement throughout the remaining categories for the compliance with standards review. For example, 67 percent of the technical standards for utilization management were shown to be either in partial compliance or in non-compliance, as were 38 percent of maternal child health technical standards and 33 percent of encounters technical standards. Overall, 23 percent of the technical standards were found to be in either partial compliance or non-compliance. It should be noted that for this review period, AHCCCS strengthened the compliance requirements for medical management, thus these findings are not entirely unexpected.

Recommendations to capitalize on existing opportunities for improvement in DES/DDD's performance on the technical standards can be summarized by the following:

- ◆ DES/DDD policies and procedures need to be enhanced to include specific AHCCCS requirements related to:
 - Financial management and the share of cost allocation.
 - Utilization management, prior authorization, and concurrent review.
 - Credentialing and recredentialing providers in the provider network.
 - Grievances, appeals, and reversals.

Additionally, the provider manual needs to contain all of the required components.

- ◆ The significant number of encounter technical standards requiring improvement are in the broader categories of encounter tracking and reporting.
- ◆ Specific areas of medical management that require improvement include: monitoring member compliance with EPSDT services, ensuring provision of postpartum care, and ensuring coordination with other entities, specifically the Arizona State Immunization Information System and Vaccines for Children.
- ◆ Other areas of focus for DES/DDD were concentrated in management of the plan. These focus areas include:
 - Ensuring Notice of Intended Action forms are presented to members in easily understandable formats.
 - Ensuring that members are aware of their right to receive a copy of their medical records at no cost.
 - Reporting DES/DDD performance using the standard performance measures established or adopted by AHCCCS.
 - Requesting feedback on its cultural competency plan.
 - Training staff and providers in identifying, screening, and referring members with behavioral health needs to appropriate services.

Performance Measure Review

Strengths

The one measure that exceeded the AHCCCS minimum standard was child immunization – 1 VZV. Child immunization – 3 HiB met the AHCCCS minimum standard, and child immunization – 1 MMR was only six-tenths of a percent below the AHCCCS minimum standard. Although annual dental visits were 9.7 percentage points below the AHCCCS minimum standard, the rate for the measure showed a highly statistically significant improvement between the two most recent measurement cycles.

Opportunities for Improvement and Recommendations

It should be noted that due to the nature of the program, DES/DDD members were able to receive services such as immunizations from other providers. DES/DDD does not currently track these provisions of services and this reduces the apparent rates for such services. With that said, the performance measure review is an area with substantial opportunities for improvement. Of the 11 measures, nine (81.8 percent) required a CAP. The total is approximately the same percentage of performance measures with CAPs from the previous review period, when five of six measures, or 83.3 percent, required a CAP. The two areas most in need of improvement relative to the AHCCCS minimum performance standard are the combination immunization measures: child immunization – DTP, IPV, MMR, HIB, & HBV (4:3:1:3:3 Series) and child immunization – DTP, IPV, & MMR (4:3:1 Series). This finding speaks to the overall need for more comprehensive health care with regard to the performance measures under review or a better tracking mechanism to provide more accurate rates.

It is recommended that DES/DDD focus its interventions on methods for improving comprehensive care with regard to the performance measures. Improved patient tracking, office systems, and reminder systems for physicians and patients (or responsible adults, as appropriate) might prove worthwhile. These types of interventions have been shown to be successful over wide ranges of practices and types of patients, clinical conditions, and treatments.

PIP Review

Strengths

Overall, the adult diabetes management PIP was an area of definite strength for DES/DDD. The current rates compare favorably to the national Medicaid HEDIS[®] benchmark rates. The most current rate for HbA1c testing was in the top quartile of the national HEDIS[®] benchmark rates. The current rate for HbA1c poor control was considerably better than the 90th percentile national HEDIS[®] benchmark rate after accommodating for the reverse nature of the measure. Moreover, statistically significant and substantively important improvements have been made in the rates between the two most recent measurement cycles, as well as for the previous measurement cycles (i.e., between baseline and the first remeasurement)

Opportunities for Improvement and Recommendations

Given the high performance for the adult diabetes management PIP, with rates that have shown sustained and actually improved performance through multiple remeasurement cycles, it is recommended that DES/DDD periodically monitor these rates to be sure that they do not substantially regress. Although there is still some room for improvement between the current rates and perfect performance, adult diabetes management is not seen as an area with opportunities for improvement.

A substantial opportunity for improvement exists in the area of children's oral health. Although the current rate of 37.8 percent is an improvement from the previous measurement cycle, the rate is still well below the established AHCCCS benchmark of 57 percent. It is recommended that DES/DDD conduct a root cause analysis for children not receiving an annual dental visit. The results of that analysis should effectively guide DES/DDD in developing, targeting, and implementing systemwide interventions most likely to achieve the AHCCCS benchmark.

Overall Recommendations for DES/DDD

DES/DDD would likely benefit from a more systemwide and comprehensive approach to process improvement. Substantially fewer strengths could be found in this review than opportunities for improvement. Furthermore, the more patient-centered and comprehensive measures tended to be the ones in greater need of improvement than the operationally focused measures. Overall, it is recommended that DES/DDD develop a more widespread focus on continuous quality improvement for patient care, especially in the area of comprehensive care. Additionally, increased attention to the monitoring of relevant rates and technical standards in a Plan Do Study Act cycle would likely be beneficial for improving results. It is recommended that DES/DDD perform a series of root

cause analyses to uncover the reasons for at least the poorest performing measures. The analyses, including a best practices analysis, should result in interventions that could be more locally valid and more likely to succeed than adopting practices that have not been shown to pertain to local conditions and clientele.